

smart

SAVE MONEY AND RETIRE TOMORROW

TRANSITION

About the new service provider

Great-West Retirement Services, a division of Great-West Life & Annuity Insurance Company, is a leading provider of employer-sponsored retirement programs for state and local governments. On a national basis, Great-West Retirement Services administers defined contribution plans for more than 1.3 million state and local government employees.

Important changes coming to the Massachusetts Deferred Compensation SMART Plan

The Massachusetts Deferred Compensation SMART Plan has selected Great-West Retirement Services® as the new provider of administration, recordkeeping, communication and investment education services for the plan.

The transition date of participant accounts from ING to Great-West Retirement Services is scheduled for March 7, 2008.

As part of the SMART Plan's commitment to provide participants with a high-quality retirement savings plan, an extensive selection process was conducted by the Department of the State Treasurer with the aid of an independent consulting firm. After evaluating several service providers, Great-West Retirement Services was selected based upon their service enhancement opportunities and lower participant fees.



Transition Process

To ensure accurate processing and verification of participant accounts, the transition requires a “quiet period” of seven business days in early March. During this time, your money will remain invested in the financial markets and regular contributions will continue for active participants, all without interruption. The only restrictions are that you will

not be able to make changes to your investment options or review your account online. For retirees receiving distribution payments, you will receive a letter with more information about your payments.

Please note: The SMART Plan is maintaining the same broad array of investment options currently available to you.



WATCH THE MAIL FOR MORE INFORMATION!

Important Dates

The following are some important transition events and dates:

- In late January—You will receive *The SMART Plan Navigator*, a complete guide to the changes coming to the SMART Plan. This guide will include important information regarding transition dates, as well as a schedule of informational meetings.
- In early February—Informational meetings will begin throughout the state.
- March 7, 2008—Your account will be moved from the current recordkeeper, ING, to Great-West Retirement Services.
- March 17, 2008—The SMART Plan will reopen and you'll have full account access.

New Features, New Benefits, New Fee Structure

With the transition, you can look forward to:

- » **Lower Fees**—Administrative fees will be reduced by over 25% for full-time employees participating in the plan.
- » **Online Contribution Rate Change¹**—Increase or decrease your contribution amount via the automated Voice Response System or Web site. No more submitting paper forms!
- » **Contribution Type Feature**—Choose to have your contribution taken as a percentage of your paycheck or as a whole dollar amount.
- » **Online Beneficiary Election Feature**—Update your beneficiary information as necessary on the Web site.
- » **Improved Service Model**—Convenient enrollment, investment education and retirement planning counseling services will be accessible through your SMART Plan representative.²
- » **Local Call Center**—The new SMART Plan Service Center will be staffed with local service counselors who exclusively serve SMART Plan participants.
- » **Customized Web Site¹**—More extensive education and account management services will be available via the Web site, including the ability to personalize your account home page.
- » **Reality InvestingSM**—This new suite of investment tools and services allows you to choose from three levels of investment assistance and advice services to suit your individual needs.³

¹ Access to the automated voice response system and Web site may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

² Representatives of GWFS Equities, Inc. are not registered investment advisers, and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

³ Managed account, guidance and advice services are offered by Advised Assets Group, LLC (AAG), – a federally registered investment adviser. Securities, when offered, are offered through GWFS Equities, Inc. AAG and GWFS Equities, Inc. are wholly owned subsidiaries of Great-West Life & Annuity Insurance Company. Representatives of GWFS Equities, Inc. are not registered investment advisers, and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

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